

Message Text

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C O N F I D E N T I A L STATE 086760

EXDIS

FOL BUCHAREST 1993 SENT ACTION SECSTATE MARCH 28,
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C O N F I D E N T I A L BUCHAREST 1993

EXDIS

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SUBJECT: THE CEAUSESCU VISIT IN PERSPECTIVE

1. OUR BILATERAL RELATIONSHIP WITH ROMANIA IS A GOOD AND
ADVANTAGEOUS ONE FOR BOTH SIDES, BUT THE LENGTHENING SHADOW
OF THE POST-TITO AND POST-BREZHNEV PERIOD PROVIDES THE MAIN
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CINTEXT FOR THE CEAUSESCU VISIT. FOR MOST ONLOOKERS--IN
BELGRADE AND BUCHAREST, IN MOSCOW AND PEKING, IN THE OTHER
EAST EUROPEAN CAPITALS--THE REAL AGENDA IS PROVIDED BY THE
ACTUARIAL CERTAINTY THAT WE ARE ENTERING INTO A TIME OF
GRAVE INTERNATIONAL UNCERTAINTY, EXTENDING FAR BEYOND THE
SPECIFICS OF DOMESTIC SUCCESSION IN YUGOSLAVIA AND THE USSR.

2. IF THE CRITICAL BRUTE FACT ABOUT TITO'S VISIT WAS THAT
IT IS LIKELY TO BE HIS LAST, THE MOST CRITICAL FACT ABOUT
CEAUSESCU'S IS THAT HE IS NOW TITO'S ONLY POSSIBLE SUCCESSOR

AS AN INDEPENDENT COMMUNIST, AS A REGIONAL LEADER IN THE BALKANS, AS A PARTNER FOR THE UNITED STATES AND THE PEOPLE'S REPUBLIC OF CHINA IN THIS PART OF THE WORLD, AS A MEDIATOR IN EAST-WEST AND NORTH-SOUTH TRANSACTIONS AND AT GLOBAL FLASHPOINTS. IN SHORT, AS A STATEMAN. TITO'S SUCCESSFUL VISIT TO WASHINGTON HELPED PREPARE POSITIONS OF AMERICAN INFLUENCE IN YUGOSLAVIA FOR THE POST-TITO PERIOD, AND REGISTERED A MEASURE OF APPROVAL FOR HIS BRAND OF FOREIGN POLICY. BUT TITO'S INTERNATIONAL SUCCESSION IS STILL UP FOR GRABS, AND IN RECEIVING CEAUSESCU, WE ARE FACED WITH ANOTHER--AND PERHAPS EVEN BETTER-OPPORTUNITY TO ESTABLISH POSITIONS OF AMERICAN INFLUENCE FOR THE DIFFICULT YEARS AHEAD IN EUROPE AND BEYOND.

3. WE WILL BE BUILDING ON A SOLID BASE. AFTER NEARLY A DECADE OF STEADY EFFORT, OUR RELATIONS WITH ROMANIA ARE GOOD, BOTH BILATERALLY AND IN MULTILATERAL TRANS-ACTIONS. CEAUSESCU IS COMING TO WASHINGTON READY AND WILLING TO KEEP THEM THAT WAY AND MOVE THEM FURTHER FORWARD. HE CLEARLY ASPIRES TO GATHER ABOUT HIMSELF AS MUCH OF TITO'S MANTLE AS CAN BE MADE TO FIT. JUST AS CLEARLY, THE DEGREE OF RECOGNITION HE GETS FROM US WILL BE AN IMPORTANT MEASURE OF HIS PROSPECTS.

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4. AT THE SAME TIME, CEAUSESCU IS NOT EASY TO DEAL WITH FOR THE UNITED STATES. HE WAS NURTURED IN THE CROOKED AND DANGEROUS POLITICS OF THE INTERWAR COMMUNIST MOVEMENT, AND EMERGED AS A LEADER THROUGH AN INTRICATE UNDERGROUND STRUGGLE TO PUSH OUT THE LIMITS OF SOVIET TOLERANCE FOR DIVERSITY IN EASTERN EUROPE. THE MARK OF THE BEAST IS STILL ON HIM: ROMANIA UNDER CEAUSESCU REMAINS ONE OF COMMUNIST EUROPE'S MOST "TRADITIONAL" REGIMES.

5. LIKE ALL ITS NEIGHBORS (AND ALL ITS NEIGHBORS ARE COMMUNIST), ROMANIA WAS AN OVERWELMINGLY AGRICULTURAL, PEASANT COUNTRY WHEN THE COMMUNISTS TOOK OVER. LIKE YUGOSLAVIA, IT WAS AND REMAINS MULTI-ETHNIC, A CONGLOMERATE OF PEOPLES, RELIGIONS AND TRADITIONS AT DIFFERENT STAGES OF DEVELOPMENT, SITUATED AT A CROSSROADS OF INTERNATIONAL POWER POLITICS. HOWEVER, ROMANIA'S LARGE HUNGARIAN AND SMALLER GERMAN, JEWISH AND SERB MINORITIES LIVE IN A COUNTRY WHICH IS NEARLY 90 PERCENT ETHNIC ROMANIAN. PLURALISM ON AN ETHNIC BASIS IS NOT RECOGNIZED IN POLITICS AS IT IS IN CULTURE AND EDUCATION, AND POLITICAL FEDERALISM IS NEITHER THE ACHIEVEMENT NOR THE DANGER IN ROMANIA THAT IT IS IN YUGOSLAVIA. CEAUSESCU RUNS A UNITARY STATE AND TIGHTLY CENTRALIZED ECONOMY WITH A POLITICAL PERSONALISM THE LIKES OF WHICH ARE FADING ELSEWHERE ON THE CONTINENT, AND STRONG CONTINUING RELIANCE ON POLICE POWER. THE ECONOMIC STRATEGY CONTINUES TO STRESS HEAVY INDUSTRIAL DEVELOPMENT AND TO ACHIEVE IT THROUGH

ANNUAL REINVESTMENT OF A THIRD OF THE NATIONAL INCOME.

6. THE RESULTS HAVE BEEN IMPRESSIVE. ROMANIA IS NOW A PRIMARILY INDUSTRIAL COUNTRY, CONTINUES TO REGISTER ONE OF EUROPE'S AND THE WORLD'S HIGHEST GROWTH RATES, AND IS AN EAGER INTERNATIONAL TRADER. BECAUSE OF THE HIGH REINVESTMENT RATE, THE STANDARD OF LIVING REMAINS ONE OF EUROPE'S LOWEST, BUT IT CONTINUES TO RISE, IF SLOWLY.

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7. NEVERTHELESS, THE LIMITS OF THIS "TRADITIONAL COMMUNIST" TYPE OF DEVELOPMENT ARE BEING REACHED, AND CEAUSESCU AND HIS LIEUTENANTS RECOGNIZE THAT THEY ARE AT SOME KIND OF CROSSROAD. THE PAINFUL PROCESS OF FIGURING OUT WHICH WAY TO TURN HAS BEGUN.

8. A BATCH OF ECONOMIC REFORM PRINCIPLES WERE ANNOUNCED IN CHARACTERISTIC SHOTGUN FASHION IN FEBRUARY, AND IN MARCH THE INTENTION TO DO SOMETHING WAS DRIVEN HOME BY SUBSTANTIAL PERSONNEL RESHUFFLING AT THE TOP AND PARTY DECISIONS TO TRANSLATE THE PRINCIPLES INTO PRACTICE. THE TWO MAIN THRUSTS--MORE SELF-MANAGEMENT AND MORE PARTY CONTROL--ARE CONTRADICTIONARY ON THEIR FACE, BUT THE URGE TO REFORM IS THERE. MEANWHILE, THE DRIVE TO INCREASE TRADE WITH THE WEST AND THE THIRD WORLD--TO OBTAIN NON-SOVIET MARKETS FOR INDUSTRIAL PRODUCTS AND NON-SOVIET SOURCES OF RAW MATERIALS AND TECHNOLOGY--CONTINUES UNABATED. CEAUSESCU WILL BRING TO WASHINGTON A FULL SET OF SERIOUS ECONOMIC PREOCCUPATIONS.

9. DOMESTICALLY, THEN, CEAUSESCU AND ROMANIA HAVE A LOT OF LEARNING TO DO. BUT THE LEARNING PROCESS IS ENGAGED, AND ALTHOUGH SOVIET PROXIMITY SETS LIMITS TO IT, THEY ALSO HAVE MUCH ROOM TO LEARN. WHAT SHOULD BE CLEARER TO OUTSIDERS THAN TO ROMANIANS IS THAT THE SOLUTION TO THEIR VERY "TRADITIONAL COMMUNIST" PROBLEMS CANNOT BE TRADITIONAL. NO DOUBT THEY WOULD PREFER TO PLOW AHEAD ALONG FAMILIAR LINES, BUT THEY NOW REALIZE THEY CANNOT FULLY INDULGE THIS PREFERENCE, AND THE KINDS OF SYSTEMIC CHANGES WHICH WILL BE REQUIRED TO MAINTAIN A VIABLE PROSPECT OF ECONOMIC INDEPENDENCE FROM THE USSR AND ACCEPTABLE GROWTH RATES WILL INVOLVE POLITICAL CHANGES TOO, AND THESE IN THE DIRECTION

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OF GREATER FLEXIBILITY AND LESS CENTRAL CONTROL, MORE RESPONSIBILITY BELOW AND LESS PERSONALISM ABOVE.

10. IF TITO HAS LED YUGOSLAVIA FAR BEYOND STALINISM AT HOME AND ABROAD, HE WAS FORCED TO DO SO FIRST OF ALL BY INTERNATIONAL IMPERATIVES. TOGETHER WITH YUGOSLAVIA'S

MULTI-ETHNIC NATURE, BUT MORE THAN ANY OTHER SINGLE FACTOR, IT HAS BEEN THE NEED TO DEFEND AND MAINTAIN YUGOSLAV INDEPENDENCE WHICH BROUGHT TITO FIRST TO NON-ALIGNMENT, AND THEN TO SELF-MANAGEMENT. INDEPENDENCE WAS THE FIRST STEP; EVERYTHING ELSE HAS FOLLOWED, PAINFULLY, BUT SUCCESSFULLY.

11. IT IS TEMPTING TO SEE CEAUSESCU ON THE SAME PATH, BUT WITHOUT THE URGENCY LENT BY THE YUGOSLAV NATIONALITIES SITUATION. IN THIS OPTIC HE CAN BE VIEWED AS BEGINNING TO FACE THE DOMESTIC CONSEQUENCES OF THE SUBSTANTIAL FOREIGN POLICY INDEPENDENCE ACHIEVED SINCE SOVIET TROOPS WITHDREW TWO DECADES AGO, AND THERE WOULD BE SPECIAL SIGNIFICANCE IN THE FACT THAT HE HAS ADOPTED "SELF-MANAGEMENT" AS ONE KEYNOTE OF THE NEW ECONOMIC PROGRAM.

12. AT THE SAME TIME, THERE IS A SENSE IN WHICH CEAUSESCU HAS ALREADY GONE BEYOND TITO, NOT INDEED IN THE DEGREE OF FOREIGN POLICY INDEPENDENCE HE HAS ACHIEVED, BUT IN ITS RANGE. ROMANIAN INDEPENDENCE RESULTS FROM AN INCUBATION PROCESS, RATHER THAN A SHARP BREAK LIKE 1948, AND REMAINS LIMITED BY SOVIET PROXIMITY AND, FORMALLY, BY PACT AND COMECON MEMBERSHIP. BUT IT WOULD BE A MISTAKE TO UNDERESTIMATE THE INTERNATIONAL SWATH CEAUSESCU NOW CUTS.

13. IF CEAUSESCU IS POUNDING AT THE DOOR OF THE NON-ALLIGNED CLUB TITO HELPED FOUND, HE IS ALSO NOT CONSTRAINED TO STRUGGLE FOR LEADERSHIP IN AN ORGANIZATION WHOSE POLITICAL PRIME MAY BE PAST, AS TITO IS. RATHER, ROMANIA HAS CHOSEN TO PROMOTE BILATERAL ECONOMIC AND POLITICAL RELATIONS WITH ALMOST ALL COUNTRIES, IN ALMOST MADCAP FASHION, ALMOST CONFIDENTIAL

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WITHOUT REGARD TO POLITICAL COLORATION, AND HAS DONE THE SAME IN RELATIONS WITH SCORES OF PARTIES OF ALL VARIETIES AND HUES, ACROSS THE FACE OF THE WORLD. THE FLOOD OF GREETINGS FROM ABROAD ON CEAUSESCU'S 60TH BIRTHDAY IN 0TH BIRTHDAY IN JANUARY TESTIFIES NOT ONLY TO ROMANIAN ENERGY BUT TO ROMANIAN SUCCESS. INTERNATIONAL ESTEEM FOR CEAUSESCU IS REAL, AND MAKES UP IN BREADTH FOR WHAT IT MAY LACK IN DEPTH IN INDIVIDUAL CASES.

14. IN SUBSTANCE, CEAUSESCU'S BRAND OF FOREIGN POLICY IS THE SAME AS TITO'S. HUDDLED ACROSS THE SOVIET UNION'S LAND ROUTE TO THE EASTERN MEDITERRANEAN AND ADRIATIC, ROMANIA AND YUGOSLAVIA ARE EACH OTHER'S MOST ESSENTIAL PARTNERS IN FOREIGN AFFAIRS, AND THIS SHOWS IN THEIR COMMON APPROACH TO MOST INTERNATIONAL ISSUES. BOTH ARE INTERMITTENTLY GRIPPED BY ALTERNATING FEARS OF YALTA AND THE COLD WAR, OF U.S. - SOVIET COLLUSION AND U.S.-SOVIET COLLUSION, IN RAYMOND ARON'S PHRASE. BOTH SEE THEM LURKING, SEPARATELY OR IN SEQUENCE, AROUND EVERY INTER-

NATIONAL CORNER.

15. BOTH COUNTRIES THEREFORE WORK FOR "PARTICIPATORY DIPLOMACY" ON A GLOBAL SCALE, FOR NEGOTIATIONS INVOLVING ALL SOVEREIGN STATES, GREAT AND SMALL, IN PEACEFUL SETTLEMENT OF DISPUTES, AND ESPECIALLY IN DISARMAMENT. THEY PURSUE THESE GOALS WITH SPECIAL FERVOR IN RELATIONS WITH THE U.S., THE USSR AND THE PRC, BUT THEY HAVE DEMONSTRATED THEIR COMMITMENT TO THEM IN EVERY MAJOR INTERNATIONAL FORUM, IN THE UN, IN CSCE, IN EUROPEAN COMMUNIST DISCUSSIONS, AND IN THE BALKANS. THEY ARE CURRENTLY EMBARKED, IN TANDEM, ON EXCHANGES OF HIGH-LEVEL VISITS WITH BOTH THE U.S. AND THE PRC, TO DEMONSTRATE AS BEST THEY CAN TO THEMSELVES
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AND OTHERS THAT THE POST-WATERGATE AND POST-MAO PERIOD IS OVER BEFORE THE POST-BREZHNEV PERIOD BEGINS IN EARNEST.

16. JUST AS THEY HOPE THE POST-WATERGATE AND POST-MAO PERIOD IS PAST, ROMANIA AND YUGOSLAVIA KNOW THAT THE ONSET OF THE SOVIET SUCCESSION DEFINES THEIR PRINCIPAL PROBLEM FOR THE FUTURE. THIS HANDWRITING ON THE NEIGHBOR'S WALL SURELY ACCOUNTS FOR THE SPECIAL ANXIETY OF BOTH TO SHORE UP THE BILATERAL AND MULTILATERAL FRAMEWORK OF THEIR INDEPENDENCE IN THE EUROPEAN CONTEXT. THEIR OWN RELATIONS HAVE NEVER BEEN BETTER. THEY HAVE BEEN EQUALLY ACTIVE IN TRYING TO BUILD CSCE INTO A SOLID ONGOING FORUM AROUND THE PRINCIPLES AGREED AT HELSINKI, WITH STRESS ON NON-INTERFERENCE AND TERRITORIAL INTEGRITY, AND THEY ARE EQUALLY DISAPPOINTED AT THE BELGRADE RESULT. ALTHOUGH THEY HAVE DIFFERED ON TACTICS, BOTH SEEK--WITHIN THE LIMITS OF THEIR CAPABILITIES--TO TRANSFORM CYPRUS AND THE MIDDLE EAST FROM RUNNING SORES TO HEALED WOUNDS. HERE CEAUSESCU HAS A HEAD START, SINCE HE HAS CARVED OUT FOR HIMSELF THE MODEST BUT SERIOUS INTERMEDIARY ROLE IN THE MIDDLE EAST WHICH TITO NOW APPEARS TO BE SEEKING THROUGH SMALL SHIFTS AWAY FROM EXTREME ARAB POSITIONS. EVEN CLOSER TO HOME, THE TWO COUNTRIES ARE PARTNERS IN THE EFFORT TO KEEP BALKAN MULTILATERAL TALKS MOVING TOWARD INSTITUTIONAL STATUS. EACH IN ITS OWN WAY, FINALLY, HAS TAKEN STEPS IN RECENT MONTHS TO DEFEND ITSELF AGAINST WHAT IT CONSIDERS OUTSIDE AGITATION OF ITS MINORITIES STAGE-MANAGED BY THE SOVIETS, THROUGH THE HUNGARIANS IN ROMANIA'S CASE, THROUGH THE BULGARIANS IN YUGOSLAVIA'S.

17. THE PROGNOSIS FOR CEAUSESCU'S CAPACITY TO CARRY ON ALONE IS ALSO GOOD, AS THESE THINGS GO. MUCH WILL OF COURSE DEPEND ON THE ACTUAL SHAPE OF THE BREZHNEV SUCCESSION, THE SPECIFIC BLEND OF CONTINUITY AND ACTIVISM IT DEVELOPS, THE POLICY CONSENSUS IT COMES TO REPRESENT. THE UNCERTAINTIES OF THE POST-TITO PERIOD WILL DRAIN
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YUGOSLAV FOREIGN POLICY OF MUCH OF ITS CURRENT EFFECTIVENESS (IF NOT VIGOR), AND ROMANIAN POLICY, TOO, CANNOT HELP BUT BE AFFECTED. BUT THESE EFFECTS SHOULD BE MINIMAL. THERE IS NO DOUBT ABOUT CEAUSESCU'S INTENTION TO HOLD THE STANDARD OF INDEPENDENCE HIGH, AND LITTLE DOUBT ABOUT HIS DOMESTIC BASE FOR DOING SO. AT 60, HE IS IN FIRM CONTROL, AND HAS MANY GOOD YEARS AHEAD OF HIM. IN PARTICULAR, THE MINORITIES SITUATION AT HOME GIVES HIM NOWHERE NEAR THE SAME GROUNDS FOR UNCERTAINTY IT WILL GIVE TITO'S SUCCESSORS IN YUGOSLAVIA, EVEN IF SOVIET ILL WILL IS TURNED ON FULL STRENGTH, EITHER DIRECTLY OR THROUGH THIRD PARTIES. ROMANIA IS A EUROPEAN STATUS QUO POWER PAR EXCELLENCE FOR THE SAME BASIC REASON AS YUGOSLAVIA-- BECAUSE OF ITS MINORITIES-BUT WITHOUT THE SAME DEGREE OF POTENTIAL WEAKNESS.

18. AT THE VERY LEAST, THE WASHINGTON VISIT WILL REGISTER CONTINUATION OF U.S. SUPPORT FOR ROMANIAN FOREIGN POLICY INDEPENDENCE, WHICH HAS BEEN CONSISTENT THROUGH THREE AMERICAN ADMINISTRATIONS. BUT THE POST-TITO AND POST-BREZHNEV ASPECTS OF THE VISIT GIVE IT A SPECIAL IMPORTANCE AS WELL AS A SPECIAL TWIST, IN TWO SENSES.

19. FIRST, THE VISIT IS POST-TITO IN THE NARROW SENSE THAT IT FOLLOWS TITO'S BY A MONTH. DIFFERENCES IN PROTOCOL TREATMENT WILL BE A SYMBOLIC MEASURE OF THE IMPORTANCE WE ATTACH TO THESE TWO VISITS. IT WOULD BE A MISTAKE TO UNDERESTIMATE THE WEIGHT THESE SYMBOLS WILL CARRY WITH THEM INTO FUTURE RELATIONS. CEAUSESCU AND THOSE WHO WORK FOR HIM BELIEVE IN PROTOCOL SYMBOLISM IN DEGREES RANGING FROM THE DOGGED TO THE FEROCIOUS. HIS VISIT WILL ALSO BE VIEWED AGAINST THE PRESIDENT'S TRIP TO WARSAW, CONFIDENTIAL

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THE VICE PRESIDENT'S TO BELGRADE AND THE SECRETARY'S TO BUDAPEST. BUT THERE IS EVERY EVIDENCE THAT TITO SET THE STANDARD FOR THE ROMANIANS, AS THE FIRST EUROPEAN COMMUNIST LEADER IN WASHINGTON UNDER THIS ADMINISTRATION.

20. CEAUSESCU RECOGNIZES THAT TITO IS (STILL) ALONE IN HIS CLASS, AND DESERVED THE RESPECT AND ESTEEM AT THE HIGHEST LEVELS OF THE AMERICAN GOVERNMENT EXEMPLIFIED BY FULL PROTOCOL HONORS AND THREE MEETINGS WITH PRESIDENT CARTER. BUT FOR HIM DIFFERENCES IN TREATMENT WILL ALSO BE AN EXACT MEASURE OF THE DIFFERENCE IN STATURE WE PROJECT FOR THE FUTURE, BEYOND THE ADMITTED DISTINCTIONS OF THE PRESENT. HE WILL BE PARTICULARLY SENSITIVE TO DIFFERENCES IN THE HANDLING OF DEMONSTRATIONS, EITHER BY ORGANIZED

MINORITY GROUPS OR INDIVIDUALS SEEKING REDRESS OF GRIEVANCES, BUT THE SENSITIVITY WILL BE GENERAL. IN PROTOCOL SYMBOLISM, THEN, PENNY WISE IS POUND FOOLISH WITH THE ROMANIANS, BUT A PENNY'S INVESTMENT CAN ALSO TURN A DOLLAR IN POLITICAL PROFITS. WE SHOULD MAKE EVERY EFFORT TO KEEP THE "PROTOCOL GAP" BETWEEN CEAUSESCU AND TITO AS NARROW AS POSSIBLE.

21. THE GAP ON THE SUBSTANTIVE SIDE COULD ALSO BE SUBSTANTIAL, IF WE LET IT HAPPEN. CEAUSESCU'S OWN AGENDA WILL BE HEAVILY ECONOMIC. THE REASONS ARE TWO-FOLD.

22. FIRST, ECONOMICS ARE POLITICALLY IMPORTANT TO HIM AND, LIKE PROTOCOL, POLITICALLY SUMBOLIC. HE CARRIES OVER AN UNHEALTHY DOSE OF THE OLD CONVICTION THAT THE PROPER LANGUAGE OF DISCOURSE WITH "CAPITALIST LEADERS" SHOULD BE ECONOMIC BECAUSE THE ROYAL ROAD TO THEIR HEARTS IS THROUGH THEIR POCKETBOOKS. AND, MULTIPLYING AND THICKENING ECONOMIC TIES WITH THE WEST ALSO REPRESENT (AND ANCHOR) POLITICAL TIES.

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23. SECOND, HOWEVER, ECONOMICS HAVE A LIFE AND GENUINE IMPORTANCE OF THEIR OWN IN U.S.-ROMANIAN TIES, ESPEICALLY AT A MOMENT WHEN CEAUSESCU HAS BEGUN THE EFFORT TO TURN THE CORNER INTO A MORE MODERN, COMPETITIVE ECONOMY. IN ITS PRESENT STATE, AND UNTIL IT TURNS THE CORNER, THE ROMANIAN ECONOMY PRODUCES MORE AND MORE SURPLUS SECOND-QUALIFY INDUSTRIAL GOODS REQUIRING MORE AND MORE DEFICIT FIRST-QUALITY RAW MATERIALS FOR THEIR MANUFACTURE. ABSENT EXPANDING ECONOMIC TIES WITH THE WEST AND THE THIRD WORLD, IT IS THROWN MORE AND MORE ON THE SOVIET UNION, AS MARKET AND SOURCE, TO MAINTAIN GROWTH RATES. THE ANSWER, CEAUSESCU HOPES, IS MORE EFFICIENCY, THROUGH ECONOMIC MANAGEMENT CHANGES AT HOME AND MORE NON-SOVIET MARKETS AND SOURCES ABROAD. ALTHOUGH THE WEST EUROPEAN RECESSION AND THE DEVELOPMENT OF THE COMMON MARKET HAVE PUT A CRIMP IN ECONOMIC TIES WITH EC COUNTRIES, OUR MAJOR ALLIES ARE MOVING AHEAD WITH ROMANIA IN JUST THIS FIELD: STATE VISITS FROM SCHMIDDT IN JANUARY AND TO TH UK IN JUNE WILL HAVE BEEN ACCOMPANIED BY SUBSTANTIAL FORWARD MOVEMENT. NEVERTHELESS, CEAUSESCU STILL SEES US AS ROMANIA'S MOST PROMISING WESTERN ECONOMIC PARTNER, AS A MARKET FOR MANUFACTURES AND AS A SOURCE OF TECHNOLOGY AND INDUSTRIAL RAW MATERIALS, BEGINNING WITH COAL.

24. THERE IS BOUND TO BE SOME GAP BETWEEN HOPES AND RESULTS IN OUR ECONOMIC DISCUSSIONS. CEAUSESCU WILL BE SEEKING ADMINISTRATION COMMITMENTS TO CHANGE U.S. LAW AND PRACTICE, AND THESE COMMITMENTS ARE DIFFICULT TO DELIVER AT THE

MOMENT WITH THE BEST OF AMERICAN GOOD WILL. HE WILL ALSO BE SEEKING CONTRACTS AND AGREEMENTS WITH U.S. FIRMS, ESPECIALLY FOR "COOPERATION," BEYOND THEIR CURRENT LEVEL OF INTEREST. FOR OUR PART, GIVEN THE EXISTING STATUTORY NEXUS BETWEEN ROMANIAN EMIGRATION PERFORMANCE AND MFN CONFIDENTIAL

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TREATMENT, TOGETHER WITH PUBLIC AND CONGRESSIONAL CONCERNS OVER ROMANIAN PERFORMANCE, WE WILL WISH TO GIVE HIM AN AUTHORITATIVE REDEFINITION OF HOW ECONOMICS AND HUMAN RIGHTS FIT IN THE BILATERAL RELATIONSHIP AS WE SEE IT. DEPENDING ON HIS RESPONSE, WE SHOULD OFFER WHATEVER IS POSSIBLE IN THE PRESENT POLICY CONTEXT BY WAY OF CHANGES OR FORWARD COMMITMENTS. BUT THERE WILL INEVITABLY BE A GAP.

25. THIS GAP CAN AND SHOULD BE FILLED WITH POLITICS. TO THE EXTENT WE CANNOT MEET ROMANIAN ECONOMIC REQUESTS DIRECTLY, WE SHOULD GO TO THE CORE OF CEAUSESCU'S UNDERLYING CONCERNS, AND ADDRESS OURSELVES TO THE BASIC POLITICAL CONSIDERATIONS WHICH UNDERLIE OUR INTEREST IN ROMANIA AND IN CEAUSESCU.

26. THESE CONSIDERATIONS ARE OF A GLOBAL ORDER, AND THE FOCUS OF DISCUSSION SHOULD BE AN EXCHANGE OF VIEWS ON TODAY'S AND TOMORROW'S INTERNATIONAL AGENDA: THE MIDDLE EAST (WHERE EXCHANGES OF VIEWS HAVE BECOME ALMOST TRADITIONAL); NORTHEAST ASIA (WHICH CEAUSESCU WILL VISIT SHORTLY); THE PRC IN WORLD AFFAIRS AND OUR BILATERAL RELATIONS WITH THE CHINESE; AND THE STATE AND FUTURE OF DETENTE, U.S.-SOVIET RELATIONS AND ARMS CONTROL AND DISARMAMENT NEGOTIATIONS. AS MUCH AS ANY OTHER ASPECT OF THE VISIT, OUR TREATMENT OF THE GLOBAL AGENDA WILL DETERMINE THE HEALTH OF THE U.S.-ROMANIAN BILATERAL RELATIONSHIP IN THE MONTHS AND PERHAPS YEARS TO FOLLOW. CEAUSESCU SEES RELATIONS WITH THE U.S. IN GLOBAL PERSPECTIVE. THE QUALITY OF AMERICAN FOREIGN POLICY LEADERSHIP IS AN IMPORTANT INGREDIENT IN HIS OWN STRUGGLE TO KEEP HIS COUNTRY FREE AND MAKE IT STRONG, HARD ON THE SOVIET BORDER. GIVEN THE DISPARITY IN SIZE, ROMANIA BULKS LESS LARGE FOR US, BUT WE SHOULD SEE ITS FREEDOM AND STRENGTH AGAINST THE SAME WORLDWIDE BACKGROUND.

27. CEAUSESCU IS NOT EASY TO DEAL WITH, BUT HE IS CONFIDENTIAL

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IMPORTANT ENOUGH TO DEAL WITH WELL. HIS VIEWS ON INTERNATIONAL TOPICS SHOULD GET AN HONEST HEARING, MARKED BY THE RESPECT THEY DESERVE NOW. EVEN MORE, HOWEVER, BEHIND THE MAN TALKING WE SHOULD SEE--AND LISTEN TO--THE MAN BEST PLACED AND MOST WILLING TO WORK WITH THE UNITED STATES

AND TO REPRESENT INTERESTS IN CONSONANCE WITH UNITED
STATES POLICY GOALS AS TITO HAS, IN THE ERA AFTER TITO,
AND AFTER BREZHNEV.
AGGREY UNQUOTE VANCE

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